



COMPANY HANDOUT

CYBERSCAPE BETA is RL Commercial REIT's second EDGE-certified building.

## RCR's Cyberscape Beta gets EDGE certification

OFFICE TOWER Cyberscape Beta has been awarded an EDGE certification by the Philippine Green Building Initiative (PBGI), according to RL Commercial REIT (RCR).

The real estate investment trust (REIT) sponsored by Robinsons Land Corp. said it earned its second EDGE certification for Cyberscape Beta, located along Ruby and Topaz Roads in Ortigas Center, Pasig City.

"This is another milestone in our commitment to find the most efficient way to build and operate our office towers. It is also a testament to RCR's dedication to sustainability and developing green buildings," RCR President Jericho Go said in a statement.

"The company and its tenants are firmly resolved to contribute significantly in the conservation of precious resources while enjoying cost savings from the reduced consumption of energy and water through the use of more efficient facilities and materials," he added.

EDGE or Excellence in Design for Greater Efficiencies described as an international green building certification system that "focuses purely on energy, water, and embodied energy in materials for a quantitative approach to sustainability."

"Our assessment confirms the auditor's report that Robinsons Cyberscape Beta's resource-efficient design will result in reductions of 34% in energy, 36% in water, and 83% in materials' embodied energy compared to a local base case," PBGI Chairman and President Leandro A. Conti said in a statement.

# Office rents may rise by 2% this year

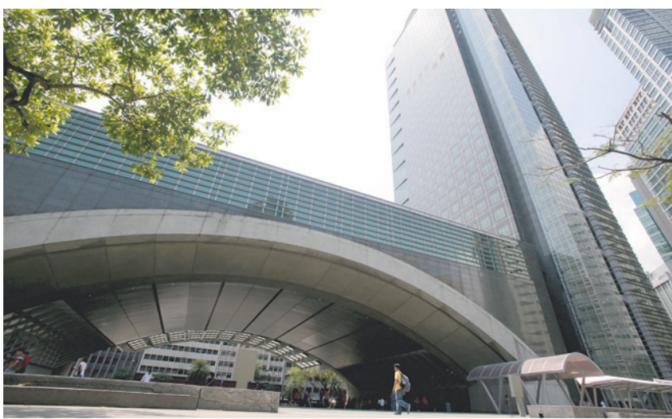
OFFICE rental rates are projected to go up by as much as 2% this year, thanks to anticipated demand from companies looking to outsource operations to the Philippines, Cushman & Wakefield said.

"Despite the several global economic headwinds ahead, the Philippine IT-BPM (information technology and business process management) industry is expected to significantly benefit from large-scale lay-offs in tech companies. Mass job cuts among tech and startup companies have driven the demand for outsourcing and IT-BPM related industries in order to further save up on operating costs amidst the challenging business environment," Cushman & Wakefield said in a report.

"As demand starts to recover, average prime and grade 'A' rents are estimated to grow at a base scenario between 1.5%-2.0% in 2023."

Tech giants such as Amazon.com, Inc., Google parent Alphabet, Inc., Microsoft Corp., IBM Corp. and Facebook owner Meta Platforms, Inc. have announced massive layoffs. Financial firms such as Goldman Sachs, Morgan Stanley, and Citigroup, have also started reducing staff.

"Overall vacancy rate for Metro Manila is forecasted to go down in 2023 partly due to the rekindled interest of



REUTERS/ROMEO RANOCO

AN OFFICE building is seen at the heart of the business district in Makati City, March 11, 2016.

multi-national companies looking at setting up back-office or shared services operations in the country," Tetet Castro, director and head of tenant advisory group at Cushman & Wakefield, said.

Average vacancy rates inched up to 16.13% in the fourth quarter of 2022, from 16.12% in the third quarter, Cushman & Wakefield said.

While office market recovery continued in the fourth quarter of 2022, Ms. Castro said vacancy rates may slightly

go up in the first quarter due to "the addition of new stocks from new building completions as well as non-renewal or early return of space by occupiers continuing their exercise of right-sizing or converting to a hybrid set-up."

Average rental rates also dipped 0.16% quarter on quarter due to the volume of new stock completions. Year on year, average prime and grade 'A' rents fell by 0.51% in 2022, despite a 0.4% year-on-year growth in net absorption.

Claro Cordero, director and head of research, consulting & advisory services at Cushman & Wakefield, said only a handful of buildings have slightly lowered rents, "although rental flexibility is dependent on the amount of space to be taken in by the prospective tenant."

"Positive rental growth is likely to happen in 2023 as delayed prospects are expected to get a green light this year, giving confidence to developers and landlords to test resistance levels on the pre-pandemic published rates, while overall market vacancy tapers down," he said.

Mr. Cordero said allowing IT-BPM companies registered with the Board of Investments to continue work-from-home arrangements will also boost growth of flexible workspaces.

"A hub-and-spoke strategy will likely increase the demand for plug-and-play office spaces which are readily-available on short notice and with flexible terms," he added.

In 2022, total completions stood at 0.34 million square meters (sq.m.), bringing the total prime and grade 'A' office supply in Metro Manila at approximately 9.2 million sq.m.

Cushman & Wakefield said office supply is likely to expand by 0.53 million sq.m. this year. — **Cathy Rose A. Garcia**

## Damosa Land accelerates projects in Davao Region

DAVAO CITY — Damosa Land, Inc. (DLI) is accelerating its projects in the Davao Region and the rest of Mindanao this year.

"Basically, we have ongoing projects in Samal, several in Panabo City, and Davao City. A lot of these projects are slightly delayed due to the pandemic but now we are very confident, we are moving forward, and we are launching them simultaneously while completing the other projects. *Medyo busy ang new year natin*," said DLI President Ricardo F. Lagdameo said in an interview.

Mr. Lagdameo said DLI is looking to launch a new subdivision project in Catalunan Grande, Davao City by the second or third quarter of this year.

"We've been planning this for a year now. We are positioning this (project) to be a bit more upscale with bigger and fewer lots," he said.

DLI is currently developing Bridgeport, which features low-density condominium buildings, premium open lots, a condotel, commercial and dining areas, and an exclusive marina.

Completion of America, a premier subdivision within Agriya — an agri-tourism site in Panabo City, Davao del Norte, is also underway.

Mr. Lagdameo said DLI is also expanding its partnership with IWG, the leading flexible workspace provider with brands such as Regus and Spaces. There

are two Regus business centers in Davao City, and DLI plans to begin operating one in Cagayan de Oro in June.

"We are eyeing to open Regus centers across Mindanao not just in Cagayan de Oro. We will have General Santos eventually and other cities as well," he said.

Meanwhile, Mr. Lagdameo said that DLI is looking to achieve 100% occupancy for the 16-storey Damosa Diamond Tower by first quarter. Locators include three brand new BPO companies, Anflo Management and Investment Corp., and DLI. — **Maya M. Padillo**

### BALANCE SHEET (Head Office and Branches) As of December 31, 2022

ASSETS		
	Current Quarter	Previous Quarter
Cash and Cash Items	13,177,429,341.15	8,866,947,028.67
Due from Bangko Sentral ng Pilipinas (BSP)	63,011,415,824.69	48,571,977,604.67
Due from Other Banks	19,146,090,957.89	10,405,256,701.41
Financial Assets at Fair Value through Profit or Loss	7,566,547,089.02	13,454,776,763.00
Available-for-Sale Financial Assets-Net	112,492,486,146.95	113,090,082,347.28
Held-to-Maturity (HTM) Financial Assets-Net	69,247,485,912.23	64,431,819,109.43
Loans and Receivables-Net:	526,415,087,796.47	510,806,348,386.43
Interbank Loans Receivable	6,402,982,443.99	9,299,504,867.70
Loans and Receivables-Others	499,684,900,403.13	480,997,585,549.22
Loans and Receivables Arising from RA/CA/PR/SLB	23,518,739,984.00	23,498,774,981.00
General Loan Loss Provision	3,191,535,034.65	2,989,517,011.49
Other Financial Assets	5,458,034,124.19	5,032,564,204.04
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	4,524,256,917.91	4,383,498,427.27
Bank Premises, Furniture, Fixture & Equipment-Net	4,015,749,753.96	3,968,689,378.58
Real and Other Properties Acquired-Net	2,977,798,790.15	2,647,751,279.76
Other Assets-Net	50,530,933,565.11	53,139,341,249.84
<b>TOTAL ASSETS</b>	<b>878,563,316,219.72</b>	<b>838,799,052,480.38</b>
LIABILITIES		
Financial Liabilities at Fair Value through Profit or Loss	1,752,818,352.31	3,766,769,273.97
Deposit Liabilities	606,361,431,278.31	585,026,433,176.24
Due to Other Banks	290,073,683.30	281,629,574.84
Bills Payable:	41,467,636,387.78	34,052,548,001.77
Interbank Loans Payable	18,106,776,591.76	8,945,098,702.94
Other Deposit Substitute	23,360,859,796.02	25,107,449,298.83
Others	-	-
Bonds Payable-Net	47,111,693,174.16	33,446,323,489.92
Due to Bangko Sentral ng Pilipinas	-	-
Other Financial Liabilities	10,064,415,972.66	9,077,345,097.16
Other Liabilities	47,050,125,971.58	49,989,119,953.30
<b>TOTAL LIABILITIES</b>	<b>754,098,194,820.10</b>	<b>715,640,168,567.20</b>
STOCKHOLDERS' EQUITY		
Capital Stock	46,186,416,799.90	46,186,416,799.90
Other Capital Accounts	151,042,871.96	(2,424,080,382.64)
Retained Earnings	78,127,661,727.76	79,396,547,495.92
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>124,465,121,399.62</b>	<b>123,158,883,913.18</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>878,563,316,219.72</b>	<b>838,799,052,480.38</b>
CONTINGENT ACCOUNTS		
Performance Standby Letters of Credit	27,082,591,278.06	27,196,060,184.33
Commercial Letters of Credit	10,438,472,038.37	9,226,216,502.82
Trade Related Guarantees	899,839,383.21	1,221,462,222.69
Commitments	85,656,955,017.86	79,326,440,484.14
Spot Foreign Exchange Contracts	3,039,570,903.23	13,248,812,409.01
Trust Department Accounts:	95,116,737,546.05	83,663,621,031.38
Trust and Other Fiduciary Accounts	54,075,470,282.45	53,382,485,601.68
Agency Accounts	41,041,267,263.60	30,281,135,429.70
Derivatives	193,973,621,630.59	243,971,381,315.62
Others	1,961,860,412.69	1,330,420,529.76
<b>TOTAL CONTINGENT ACCOUNTS</b>	<b>418,169,648,210.06</b>	<b>459,184,414,679.75</b>
ADDITIONAL INFORMATION		
1. Gross total loan portfolio (TLP)	542,574,738,278.96	526,803,486,147.61
2. Specific allowance for credit losses on the TLP	12,968,115,447.84	13,007,620,749.69
3. Non-Performing Loans (NPLs)		
a) Gross NPLs	15,981,222,980.90	17,051,122,403.82
b) Ratio of gross NPLs to gross TLP (%)	2.95	3.24
c) Net NPLs	5,684,769,409.44	6,524,053,208.19
d) Ratio of Net NPLs to gross TLP (%)	1.05	1.24
e) Ratio of total allowance for credit losses to gross NPLs (%)	101.12	93.82
f) Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%)	81.15	76.29
4. Classified Loans & Other Risk Assets, gross of allowance for credit losses	22,289,000,000.00	22,289,000,000.00
5. DOSRI Loans and receivables, gross allowance of credit losses	4,556,940,748.84	5,312,072,519.77
6. Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%)	0.84	1.01
7. Gross non-performing DOSRI loans and receivables	-	-
8. Ratio of gross non-performing DOSRI loans and receivables to TLP (%)	-	-
9. Percent Compliance with Magna Carta (%)	-	-
a) 8% for Micro and Small Enterprises	0.74	0.71
b) 2% for Medium Enterprises	2.97	2.70
10. Return on Equity (ROE) (%)	7.89	8.61
11. Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations		
a) Total CAR (%)	16.24	16.71
b) Tier 1 Ratio (%)	15.75	16.23
c) Common Tier 1 Ratio (%)	15.75	16.23
12. Deferred Charges not yet Written Down	-	-
13. Unbooked Allowance for Credit Losses on Financial Instruments Received	-	-
14. Basel III Leverage Ratio on Solo Basis, as prescribed under existing regulations		
a) Tier Capital	101,887,902,659.94	101,722,718,193.19
b) Exposure Measure	901,429,236,508.00	861,829,805,874.49
c) Leverage Ratio (%)	11.30	11.80
15. Liquidity Coverage Ratio (LCR) on Solo Basis, as prescribed under existing regulations		
a) Total HQLA	236,654,727,124.52	218,699,169,400.33
b) Total net cash outflows	165,752,077,138.12	150,062,329,273.96
c) Liquidity Coverage Ratio (%)	142.78	145.74

REPUBLIC OF THE PHILIPPINES)  
CITY OF MAKATI ) s/s

We, Sanjiv Vohra and Eduardo M. Olbes of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct to the best of our knowledge and belief.

(SGD.) EDUARDO M. OLBES  
EVP/CFO

(SGD.) SANJIV VOHRA  
President

SUBSCRIBED AND SWORN to before me this 26<sup>th</sup> day of January 2023 at City of Makati, affiants exhibiting their Passport No. P811670A, issued at DFA Manila on July 27, 2018 and Passport No. Z4836868, issued at Singapore on June 27, 2018, respectively.

(SGD.) ATTY. JOYCE ANNE A. FRANCISCO  
NOTARY PUBLIC  
Until December 31, 2023  
PTR No. 9574509  
January 9, 2023; Makati City

### CONSOLIDATED BALANCE SHEET (Bank and Financial Subsidiaries) As of December 31, 2022

ASSETS		
	Current Quarter	Previous Quarter
Cash and Cash Items	13,177,429,341.15	8,866,947,028.67
Due from Bangko Sentral ng Pilipinas (BSP)	63,011,415,824.69	48,571,977,604.67
Due from Other Banks	19,210,178,101.17	10,462,788,895.77
Financial Assets at Fair Value through Profit or Loss	7,566,548,711.30	13,454,777,994.91
Available-for-Sale Financial Assets-Net	112,520,679,714.95	113,118,418,552.08
Held-to-Maturity (HTM) Financial Assets-Net	69,247,485,912.23	64,431,819,109.43
Loans and Receivables-Net:	525,215,690,703.56	509,633,441,423.16
Interbank Loans Receivable	6,402,982,443.99	9,299,504,867.70
Loans and Receivables-Others	498,485,681,029.66	479,824,846,355.94
Loans and Receivables Arising from RA/CA/PR/SLB	23,518,739,984.00	23,498,774,981.00
General Loan Loss Provision	3,191,712,754.09	2,989,584,781.48
Other Financial Assets	5,455,340,212.31	5,030,913,688.07
Equity Investment in Subsidiaries, Associates, and Joint Ventures-Net	2,425,240,569.43	2,315,831,121.12
Bank Premises, Furniture, Fixture & Equipment-Net	5,299,512,223.21	5,180,143,278.16
Real and Other Properties Acquired-Net	2,978,573,690.63	2,648,526,180.24
Other Assets-Net	52,327,529,456.89	54,943,181,532.33
<b>TOTAL ASSETS</b>	<b>878,435,624,461.52</b>	<b>838,658,766,408.61</b>
LIABILITIES		
Financial Liabilities at Fair Value through Profit or Loss	1,752,818,352.31	3,766,769,273.97
Deposit Liabilities	604,319,299,867.91	583,037,983,866.92
Due to Other Banks	290,073,683.30	281,629,574.84
Bills Payable:	41,585,969,721.08	34,151,714,668.41
Interbank Loans Payable	18,106,776,591.76	8,945,098,702.94
Other Deposit Substitute	23,360,859,796.02	25,107,449,298.83
Others	118,333,333.30	99,166,666.64
Bonds Payable-Net	47,111,693,174.16	33,446,323,489.92
Due to Bangko Sentral ng Pilipinas	-	-
Other Financial Liabilities	10,079,793,442.07	9,104,747,651.09
Other Liabilities	48,830,854,821.07	51,710,713,970.28
<b>TOTAL LIABILITIES</b>	<b>753,970,503,061.90</b>	<b>715,499,882,495.43</b>
STOCKHOLDERS' EQUITY		
Capital Stock	46,186,416,799.90	46,186,416,799.90
Other Capital Accounts	151,042,871.96	(2,417,832,532.89)
Retained Earnings	78,127,661,727.76	79,390,299,646.17
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Others	1,961,860,412.69	1,330,420,529.76
<b>TOTAL CONTINGENT ACCOUNTS</b>	<b>418,169,648,210.06</b>	<b>459,184,414,679.75</b>
ADDITIONAL INFORMATION		
1. List of Financial Allied Subsidiaries:		
a) SB Cards Corporation (with BOD approval to shorten corporate term on December 31, 2023)		
b) SB Forex, Incorporated (corporate term ended February 28, 2022, awaiting clearance from regulatory agencies)		
c) SB Capital Investment Corporation		
d) Security Finance and Leasing Inc. (with BOD approval to shorten corporate term on December 31, 2023)		
2. Capital Adequacy Ratio (CAR) on Consolidated Basis, as prescribed under existing regulations		
a) Total CAR (%)	16.60	17.06
b) Tier 1 Ratio (%)	16.11	16.59
c) Common Equity Tier 1 Ratio (%)	16.11	16.59
3. Basel III Leverage Ratio on Conso Basis, as prescribed under existing regulations		
a) Tier Capital	105,111,775,497.36	104,872,891,620.49
b) Exposure Measure	904,525,595,306.66	864,839,861,000.01
c) Leverage Ratio (%)	11.62	12.13
4. Liquidity Coverage Ratio (LCR) on Consolidated Basis, as prescribed under existing regulations		
a) Total HQLA	236,654,727,124.52	218,699,169,400.33
b) Total net cash outflows	164,086,241,938.01	148,451,041,701.09
c) Liquidity Coverage Ratio (%)	144.23	147.32

REPUBLIC OF THE PHILIPPINES)  
CITY OF MAKATI ) s/s

We, Sanjiv Vohra and Eduardo M. Olbes of the above mentioned bank do solemnly swear that all matters set forth in the above balance sheet are true and correct to the best